MARITIME EXPERTS CHECK SHIP BIDS

Cost Statisticians Seek to Determine Cause of "Excessive" Asking Prices.

By JOHN C. HENRY. Expert cost statisticians of the United States Maritime Commission have called on at least one of the large private shipbuilding firms of the country for rost minute itemization of ship construction costs in an effort to segregate the factors responsible for the "excessive" bids submitted the Government early this month, it was learned yesterday.

Although all bids were submitted in some detail and with itemized work sheets attached, commission officials felt that the information made available did not constitute an adequate justification of the prices given. In his letter to President Roosevelt describing the bids as excessive, former Commission Chairman Joseph P. Kennedy remarked that the circumstance was "extremely difficult to explain." Neither costs of labor nor of materials could justify the price level, he

Accordingly, not content with the routine analysis of bids by their cost technicians here, the commission dispatched two experts to the home office of one of the big bidders for more searching examination of estimates employed in drafting the bids. This examination was under way throughout the last week.

Firms Justify Bids.

of their shoulders, the large shipbuilding companies privately are citing some half-dozen circumstances in justification of their high bids. Roughly, they follow:

1. The C-2 type of ships for which the bids at issue were asked contain various features for which little precedent exists in estimating costs.

2. Application of the Walsh-Healey act calling for high wage and hour standards in connection with production of materials to be used in filling Government contracts.

3. Taxes, particularly payroll and undistributed corporate income levies. The latter, it is claimed, prevented the firms from retaining surpluses adequate to balance possible losses in fulfilling the contracts or to finance any expanded facilities needed.

4. Unstable labor conditions, which make it difficult to estimate labor costs over the two or three years needed to complete the jobs under discussion.

5. Statutory limitation of profit percentage on Government jobs which forecloses any prospect of heavy margin on one bid to counteract unforseen loss on another.

6. Such factors of uncertainty as unpredictable demands which might be made by commission inspectors during the construction work. In this regard, it was pointed out that the private yards doing Navy work know the general requirements of that department but that different standards might be established arbitrarily by the commission.

Contract Hazards Cited.

cumstances have increased the hazards W. Robertson, chairman Westing- Roosevelt said in a letter to Secrefaced by firms contracting to do the house Electric & Manufacturing Co.: tary of Commerce Roper commemobids in which an effort was made to Jersey. cover every possible unfavorable development during fulfillment of the contracts.

Although many of these factors will apply also to naval building, spokesmen for the private builders are predicting that the degree of "excessiveness" will not be as great and may not throw preliminary estimates for this type of construction as far off as is feared.

With the commission awaiting the further findings of its cost experts before deciding whether to discard the bids for the 12 vessels desired, or whether to chance letting the work to the small yards which submitted lower estimates, the problem of maritime labor relations continued to vex the legislators on Capitol Hill.

Pending before the Senate Committees on Commerce and Labor are amendments to the Merchant Marine Act by which the railway labor mediation law would be extended to the shipping industry. Supported by the Maritime Commission and with indications that many members of both Workers with demands for dismissal committees also are in approval, the suggestion is under determined fire Austria should abandon the Rome- to carry out, a Front official said. from the maritime unions, the Labor | Berlin axis in favor of a broader for-Department, the National Mediation eign policy. Board and the National Labor Relations Board.

Further committee consideration of this issue will continue this week.

London (Continued From First Page.)

Morrison declared, "then Mr. Eden if he has any self-respect left, will resign and cease to act as a smokescreen for those of his colleagues who are determined to subordinate British security and peace of the world to Fascist foreign policy.

"If Herr Hitler and Signor Mussolini are capable of cheating each other as they have done during recent weeks, then they are certainly capable of cheating our own not very brilliant

Mr. Eden shared Mr. Morrison's suspicions of Mussolini's motives, some observers believed. The foreign secretary attended only one of Mr. Chamberlain's two conferences yesterday with Count Dino Grandi, the Italian Ambassador.

British Lukewarm, Paris Learns. PARIS, Feb. 19 (AP).-The foreign office today received what was called the British government's "lukewarm" reaction to the French invitation to join in defending Austrian independ-

It was brought here by Charles Corbin, French Ambassador to London, who was closeted throughout the day with Foreign Minister Yvon Delbos.

Delbos also received Leon Noel, French Ambassador to Warsaw. The French government, it was learned, proposed to Britain that the two powers make a public declaration

warning Germany they would oppose "any act of force" which would tend to modify the territorial status quo in Central Europe

Corbin said Anthony Eden, British foreign secretary, acepted this "in Division of the District show that principle" but, since the question of more than 1,000 applicants for relief Anglo-Italian relations must be set- were denied aid last month because of tled first by the cabinet, a definite the insufficiency of funds. The Family answer must be postponed.

The Ambassador reported Prime private relief associations here, last Minister Neville Chambertain said he month denied 399 applicants who were felt he could increase British pressure deemed worthy, because of lack of on Berlin only in so far as progress funds. This was the largest number was made toward better relations with denied since the depression. There are

Lead Battle for District Relief Fund Boost











CLARENCE PHELPS DODGE.

Meanwhile, with a figurative shrug Conference to Be Held Here on Ways to Discourage Discrimination.

By the Associated Press.

Secretary of Labor Perkins vesterday appointed a committee representing industry, labor and the public to hotel porter. confer here Wednesday and Thursday on ways to discourage discrimination against older workers.

She named Dr. Harry Woodburn

Chase, chancellor of New York Uni- their fight against toxic poisoning. versity, chairman of the committee and these other members: Labor-Miss Elizabeth Christman,

secretary-treasurer National Women's Trade Union League of America; Brotherhood of Railway and Steamship Clerks: Sidney Hillman, chairman Textile Workers' Organizing Committee; Charles P. Howard, president International Typographical Union; Philip Murray, chairman Steel Workers' Organizing Committee; D. W. Tracy, international president International Brotherhood of Electrical Workers: Robert J. Watt, Social Security representative American Federation of Labor. Industry-John D. Biggers, presi-

dent Libby-Owens-Ford Glass Co.: J. M. Barker, vice president Sears, Roebuck & Co.; Chester I. Barnard, president New Jersey Bell Telephone Co.; J. A. Brown, president Socony Feeling that these and other cir- president General Motors Corp.; A. of only one passenger, President work, most of the companies sub-mitted what they describe as "safe" Board Standard Oil Co. of New

> The public-Miss Mary W. Dewson. member Social Security Board; Daniel J. Doherty, national com-College, Portland, Oreg.; Dr. H. A. gratulations. Millis, chairman department of economics, University of Chicago.

Vienna

(Continued From First Page.)

awaiting Adolf Hitler's speech to the Reichstag tomorrow. Others Not So Reassuring.

Other reports were not as reassuring as the government members' statements. Nineteen representatives of engineers' organizations called on an official of the Federation of Social

Guild sent a resolution to Schuschnigg | representation. saying they wished to join the Austrian semi-military Sturmkorps "to fight the interloper.'

"If we must surrender, then we want to leave only ruins for the enemy," they said.

Relief

(Continued From First Page.)

be willing to accept increases in taxes,

if necessary, to assure a more adequate

\$3,247,000 Needed.

recommended by the Budget Bureau

because too many of its members were

"ignorant" of the real relief needs.

District welfare officials, he explained,

had calculated the need next year

would be \$3.247,000, to provide a new

item of \$1,225,000 for care of employ-

this increase, he continued, the Budget

Bureau disallowed again any fund for

employables and cut this year's fund

for unemployables by \$436,000. What

District Commissioners, he said, have

not been anounced.

C. Dow

recommendations were made by the

The Central Labor Union, an affiliate

of the American Federation of Labor.

was represented at the meeting by D.

Canon Stokes declared: "It is per-

fectly preposterous to assume that an

appropriation of but \$900,000 will prove

sufficient at a time when the need is

24,000 Out of Work.

Service Association, one of the largest

"Records of the Public Assistance

greater than it was last year.

Sidney Katz, secretary of the In-

care for the destitute families.

front members "I had only one choice" at the Berchtesgaden meeting with Hitler a week ago. He said a Nazi uprising was put

down in Austria in 1934 when Italian troops massed at Austria's border. "but this time that counterbalancing force was lacking.'

of Nazi engineers and a declaration Hitler, will take a few days further Party lists will be open only eight days Members of the Leather Workers' thus admitting Nazis to legal political

Front Opening is Delayed. Opening of the Fatherland Front to

Nazis, the government's last an- of the throne to upset present Nazi nounced step in fulfilling pledges to advances. as soon as the machinery is perfected,

Applicants must take an oath of loyalty to the constitution, a provision expected to have a deterrent effect on some radicals.

Appointment of five cabinet members favorable to Nazi Germany, free- in Austria I shall be in Vienna one A Fatherland Front secretary re- dom for all political prisoners and a step ahead of Hitler.'

> tered at the District Employment Cen- tor Thomas in his letter that, while ter who are out of work—and this fig- the club does not have all the data ure probably represents 60,000 or available to governmental bodies, "we Mrs. Agnes E. Meyer asked: "Why to be firmly convinced of the serious are we recounting facts and figures state of thousands of residents of the

more persons who are in need." that all here know? We ought to District of Columbia who are unemhave a meeting of the public that ployed and either unemployable or would fill Constitution Hall. The strongest possible committee, the foredustrial Council of Maryland and the most citizens in town, should go to District, insisted that the House had the White House if necessary to show afford modest protection to these peorefused to increase the \$900,000 item these obviously condemning figures."

Not Beaten. Walter Ufford, veteran private social worker, protested that not only had the House refused to increase the relief appropriation, but that it had reduced the proposed \$705.000 item for old-age assistance, approved able persons who cannot find work, by the Budget Bureau, to \$486,000. and a total of \$2,022,000 for relief of In reply to a suggestion that a large unemployables. Instead of granting mass meeting be called, Mr. Ufford retorted: "We did all that a year ago; we had a mass meeting with more than 1,200 attending, and we

> effect-yet we are faced here with a problem of mass starvation." Chairman Cleary said: "We do not admit defeat because the House has allowed only \$900,000 for general relief. We have hopes that the Senate will approve the proposed increased sum. If that happens we will be prepared to fight during the long, hard pull between the House and Senate

> sent memorials to the White House

and none of this had one scintilla of

Letter to Thomas. William A. Roberts, president of the Monday Evening Club, told Sena-

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Man With 'Right Type Blood' Faces Jail After Transfusion the right kind of blood.

NEW YORK. Feb. 19.-They were He had that - blood that dared saying tonight that young Bob Ferbreak the law for his sister. He guson had the right kind of blood. slipped across the border. His sister, smiling wanly on her hos- caught him. They took him before pital cot, knew it right along. The Federal Judge Frank Cooper in Albany. following his arrest at Rouses Point Government of the United States is near the border. "I've just got to get to New York."

GEORGE J. CLEARY.

said Bob Ferguson. "It's my kid sister She's sick. She needs a trans-Bob Ferguson is 22. His father is a bartender. His sick sister's hus- fusion. "I've got to get there." band is a cook. Bob himself is a "I'll let you go," said Judge Cooper "until next Wednesday. That's plenty No ancestral elegance, you see. No blue blood. Just ordinary blood of driving to New York today. He'll of time. There's a Government man the kind his sick sister, the 18-year- have room for you. Give your sister

old Mrs. Joseph Dumagan, needs to the transfusion. I hope it makes her pump through veins fast tiring from well. "Then you must come back. You Bob was scrubbing the floors of a have broken the law. You face a sen-Napanee (Ontario) hotel when the tence to jail. I release you on your wire came three weeks ago: "Sister honor until Wednesday. ill, needs transfusion. Can't afford So Bob Ferguson, at his father's to pay professional donors. Remem- home today, waited the call to the

ber you gave transfusion five years hospital. Afterwards-? Yours is right kind. Can you "Sure I'm going back. That judge gave me a break, didn't he? You an individual to qualify for monthly Could Bob Ferguson help his sis- don't think I'd run out on him, do ter? He had no money to pay an \$8 you?'

head tax to get into the United States Nobody seemed to think he would or buy transportation from Napanee run out. . He looked like a lad with to New York. You've got to have the right kind of blood.

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600,000,000 Carried in 3 Years With Loss of Only One

During the last three years United Vacuum Oil Co.; William S. Knutsen, passengers with the loss of the life rating the 100th anniversary of the founding of the Steamboat Inspection

Service. Commerce Department. "Credit for this achievement is sonnel and by the inspection service, mander American Legion; Ernest G. for which the Bureau of Marine In-Draper, Assistant Secretary Depart- spection and Navigation is responsideputy commissioner Division of Old- Department of Commerce, to the Bu-Department of Public Welware: Dr. gation, and its personnel all over the Dexter M. Keezer, president Reed country, I send greetings and con-

the anniversary with a dinner dance ton and John McClellan.

at the Mayflower Hotel Friday night. sistant Secretary of Commerce J. ability benefits. Monroe Johnson and Mrs. Johnson, Senator Copeland, Democrat, of New York, chairman of the Senate Commerce Committee, and Mrs. Copeland: Representative and Mrs. Schuyler O. Bland and Mr. and Mrs. Malcolm Kerlin.

PLAY OPENS MONDAY

A three-act comedy, "One Delirious shared by our merchant marine per- 8:15 p.m. There will be dancing after titled to benefits, reducing tax colleceach performance.

The presentation will be under direction of the Rev. Ronald J. Fannon, position of the old age reserves. ment of Commerce; Miss Ruth Hill, ble," the President said. "To the assisted by A. J. Bier. Members of the cast are Margaret Mihm, "Billy" Age Assistance, City of New York reau of Marine Inspection and Navi- Kellinger, Mary Agnes Bier, Marian Wolberg, Nancy Lang. "Bunny" Keelan, Joseph J. Clark, jr.; Francis Naughten, Harold Quinn, William Personnel of the bureau celebrated Wilson, James Zimmer, Robert Cot-

vealed Schuschnigg told, a group of legal status for Nazis politically were provisions of the agreement with

> Monarchist leaders, enraged by developments of the past week, met to-

day to decide whether Archduke Otto, heir to the non-existent throne of Austria, should return to the country to lead a campaign for restoration It was believed a final decision was

Monarchists, Angered, Meet.

postponed until after Schuschnigg's address February 24.

Otto's representative, Baron Dr. Friedrich R. von Wiesner, said he had been warned semi-officially not to attempt such a move at present because it might embarrass Germany. Otto, on the other hand, said six months ago that "should Germany attempt to establish a Nazi regime

have, however, sufficient information unable to secure employment."

"The general statement that an additional million dollars was needed to ple has not been convincing to congressional committees," the letter continued, "and in the absence of a comprehensive inquiry into the relief needs it is apparent that misinformation and lack of information must govern appropriations and the expenditure of funds.'

LOST PEKINGESE



NAMED "HEFTY" **GENEROUS REWARD** Mrs. L. Beam

They Advisory Council Recom-

Inclusion of seamen and employes that are members of the Federal Reby the social security old-age benefit yesterday by the Advisory Council on President Roosevelt to suggest re-

After a two-day session, the council decided to withdraw recommendations for substantial changes pending further study.

the complaint. council were: An amendment which would permit sition to continuation of the business privilege tax. Chairman Nichols bebenefits and to secure monthly benefits or death payment because of employment after the age of 65.

An amendment that would exclude from the definition of wages certain on the salaries of all persons who work types of payments by an employer to in Washington would be eliminated or on behalf of an employe under from the measure and that the pro-Among the guests of honor were As- plans providing for retirement or disposed \$1.75 tax rate on real estate for the 1939 fiscal year would be reduced

> emption from the act of employes of certain State instrumentalities. An amendment defining the cover of services under the act depending on whether the excepted or included George Washington birthday anniver-

Night," will be presented by the Sa- for those retiring in the near future, cred Heart Study Club in the school extending benefits to persons incapaciauditorium, Sixteenth street and Park tated before the age of 65, extending road N.W., tomorrow and Tuesday at benefits to survivors of persons en- of the protests of Baltimore business are represented in the council.

Workers for Benefits.

of national banks and State banks serve System among employes covered system was recommended to Congress Social Security, named a year ago by visions of the old-age provisions.

Other recommendations of the

ing fiscal year. He forecast the pro-

An amendment to clarify the ex-

services predominated.

increasing the amount of the benefits crat, of Missouri, ranking majority tions on pay rolls, extending the bene- day because of the holiday, but fits to groups now excluded and dis- Wednesday the Washington Board of Employers, employes and the public outline its views on the new tax pro-

REAL

ESTATE

LOANS

mends Seamen and Bank

The council decided to continue its trict and will not return until the lat-

-Star Staff Photos.

study of such larger questions as ter part of the week. During his abstarting the payment of monthly old sence hearings on the bill will be conage benefits before January 1, 1942, ducted by Representative Wood, Demo-



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KENNEDY POLICIES Phi Beta Kappa Chapter to Get

Diplomas will be presented to 335 Mayflower Hotel Block 1107 Conn. Av students of the George Washington University at the winter convocation in Constitution Hall Tuesday at 8 p.m. Dr. Cloyd H. Marvin, president of the university, will preside and present

Announces There Will Be No

Changes in Taking Mari-

time Post.

Rear Admiral Emory S. (Jerry)

Land, retired chief of the Navy's Bu-

announced there would be no change

Describing his post as the "same

tough job it's always been," Admiral

Land told the Associated Press he in-

tended to "give the best of my ability

to attempting to carry out the policies'

laid down by his predecessor, Joseph P

Kennedy. Mr. Kennedy has been ap-

pointed Ambassador to Great Britain.

about me." Admiral Land commented

Asked if he agreed with all of Mr

Kennedy's policies, including his views

on the maritime labor situation, he

This indicated continuation of the

commission's fight for legislation to

require mediation of marine labor dis-

putes. Mr. Kennedy, who called labor

conditions "chaotic," clashed with

Secretary of Labor Perkins on the

mediation question. She contends the

Admiral Land, 59-year-old Colorado-

born sailor and aviator, has been a

member of the commission since last

Max O'Rell Truitt, 34, a native of

Missouri and now general counsel of

the commission, will fill out Mr. Ken-

nedy's unexpired term on the com-

mission. White House aides said Mr.

Truitt's appointment was temporary

pending selection of a West Coast

Mr. Truitt, a son-in-law of Senator

Barkley, Democrat, of Kentucky, Sen-

ate majority leader, was solicitor of

the Reconstruction Finance Corp. be-

Taxes

(Continued From First Page.)

which do business in the District. A

committee representing the Baltimore

Chamber of Commerce is to be given

a special hearing at 10 a.m. to register

Despite the ever-rising tide of oppo-

lieves it will remain the backbone of

the tax increase program for the com-

vision for imposition of an income tax

Trade Body to Be Heard.

last night for Oklahoma to make a

sary speech in his congressional dis-

The entire hearing tomorrow is

expected to be devoted to consideration

men. A hearing will not be held Tues-

Trade will be given an opportunity to

member of the subcommittee.

Chairman Nichols left Washington

fore joining the commission.

industry is not "ripe" for mediation.

"There's nothing of the new broom

By the Associated Press.

of policy.

said he did.

representative.

the certificates. The convocation also will be the occasion for the formal presentation reau of Construction and Repair, of the charter to the Phi Beta Kappa the chairmanship of the Chapter at the university, the first in Maritime Commission yesterday and Washington.

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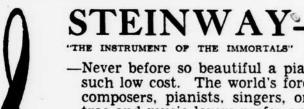
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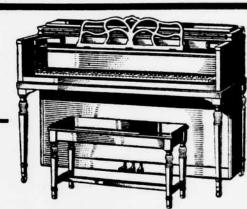
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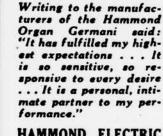


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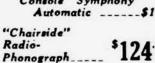


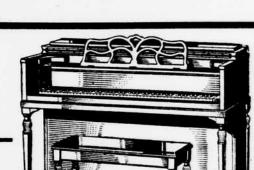
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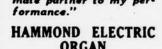
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